

Successor Agency to the Redevelopment Agency of the City of Burbank

The appraiser retained by the Successor Agency to establish the value of the Successor Agency's interest, Ron Laurain from R.P. Laurain & Associates, provided a summary of the valuation process. The summary involved a discussion of the total value of the property, the 25 percent share of the total value, and the use of two 25 percent discounts associated with lack of control/minority interest and lack of liquidity/marketability, to establish the value of the Successor Agency's 25 percent interest.

The Board members had a number of questions of staff and the appraiser related to the methodology used to establish the two 25 percent discounts associated with the minority interest share of the Successor Agency.

Board member Kukta made a motion to have the Successor Agency staff: 1) approach the County Chief Executive Office about the valuation of the Successor Agency's 25 percent ownership interest in the property by providing the staff report, entire appraisal and approved Long-Range Property Management Plan; 2) inform the County that the Oversight Board was not comfortable with the methodology of the appraisal; and 3) request on behalf of the Oversight Board that the County have an independent, third party peer review appraisal performed and to have the review appraiser send a written opinion to the Oversight Board that states whether they agree with the methodology and what they believe the fair market value of Oversight Board's 25 percent interest in the property to be. The motion was seconded by Vice Chair Swartz and carried 5-0.

Ms. Davidson-Guerra offered a correction on the Fiscal Impact section of the staff report by saying that the staff report incorrectly stated that sales proceeds would go the County for distribution to the taxing entities; the correct result would be that consideration for the transfer would be an immediate write-down of the City/Agency debt.

VI. BOARD & STAFF COMMENTS

Ruth Davidson-Guerra thanked the Board for their service and expressed her appreciation to them. Chair Dixon thanked staff for their collective efforts and to Ms. Davidson-Guerra for her service prior to retirement. Vice Chair Swartz thanked the appraisers for attending the meeting.

VII. ADJOURNMENT

The meeting was adjourned by Chair Dixon at 4:32 p.m.